

Friday, 15 February 2019

## DOMESTIC MARKET ACTIVITY AS ON 14-02-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2673390	+1.67	14762.48	-15.37	2076109	-15.77
EURINR	83653	-0.94	463.87	-7.99	57773	-7.97
GBPINR	46386	-1.21	589.33	-10.26	64460	-10.29
JPYINR	41823	-1.77	159.92	-34.15	24951	-34.19

## CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar index, a gauge of its value versus six major peers, ticked up to 97.02 having gained 0.45% in the previous session. The index has rallied 1.7% so far this month, after two consecutive months of losses. U.S. President Donald Trump said on Wednesday the talks with China were "going along very well" as they try to resolve the tariff dispute ahead of a March 1 deadline, when U.S. tariffs on \$200 billion worth of imports from China are scheduled to rise to 25% from 10%. Bloomberg reported earlier that Trump is considering a 60-day extension to that deadline if he sees enough progress being made.
- EUR/USD** - EUR/USD dipped 0.1% to 1.1249 by 03:44 AM ET (08:44 GMT), the weakest level since mid-November after data showing that Germany's GDP was flat in the fourth quarter, after a 0.2% contraction in the previous quarter. That means the euro area's largest economy just managed to avoid a technical recession, but has also failed to expand since June. The data underlines expectations the European Central Bank will remain highly accommodative this year. Demand for the greenback continued to be underpinned after data pointing to sustained strength in core U.S. inflation. While headline U.S. inflation logged its weakest pace in 1-1/2-years in January, traders focused on the core price gauge, which was up for the third straight month, giving the dollar some impetus. The greenback was hit earlier this year by the Federal Reserve's shift to a cautious policy stance. However, the latest data suggest the central bank will need to stay vigilant on pricing pressures even as it adjusts to heightened growth risks. "The trend in core U.S. inflation remains steady, against some concerns of a potential decline.

## TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.21	+0.36	70.65	70.93	71.10	71.38	71.55
EUR-INR	80.41	-0.02	79.87	80.14	80.30	80.57	80.73
GBP-INR	91.48	-0.02	91.13	91.31	91.43	91.60	91.73
JPY-INR	64.19	+0.02	63.76	63.98	64.12	64.33	64.47

## CURRENCY IN FOCUS

### USD-INR (Feb)



**Technical Strategy:** Sell USD-INR Feb. AT 71.45 with SL above 71.60 TP-71.25/71.10.

### Major Economic Data and Events Schedule For 15-02-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
3:00pm	GBP	Retail Sales m/m	0.2%	-0.9%	Medium

Impact - HighMediumLow

**Note:** Economic data expectations are based on median forecast by economists or Reuters and Bloomberg survey. Here positive impact indicates currency could appreciate and negative indicates currency could depreciate in comparison with US Dollar.

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